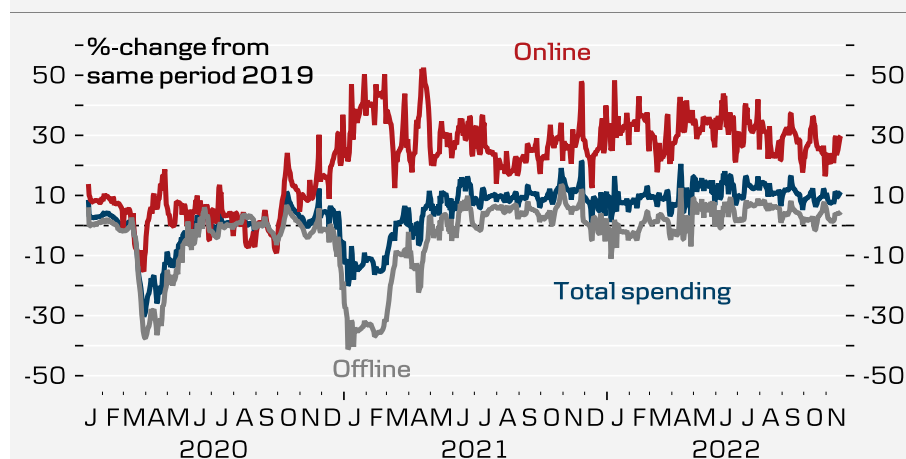


Spending Monitor

Spending improves slightly through November

- Danish card data suggests spending in the first three weeks of November continues to be weak compared to last year. Y/y spending has improved slightly through November. This suggests that we are still not seeing a sharp decline in nominal spending. However, with prices likely increasing further in November, we are still looking at a very significant decline in real spending.
- There is little doubt that retailers will experience a noticeably weaker Christmas shopping season that last year and the year before, where covid restrictions on significant parts of service spending send goods consumption significantly higher. In this week's data, we are seeing some signs of an uptick in retail spending, however, this is likely also driven by the fact that Black Friday is slightly earlier than previous years. We will not know until next week what the performance has been.
- Overall, we are more concerned about spending in furniture and other home-related durable goods, not least when accounting for price developments.
- In services, we are still seeing some strength especially in restaurants; however, compared to last year we are more or less at the same level nominally. Travel spending is looking somewhat better in recent weeks than in the end of October, but overall, we expect to see weakness here over the winter. The big season for travel shopping is January and February.

Spending is being eroded by higher prices, but still no dramatic decline due to precautionary savings



Note: Spending by card does not include cash and account transfers, so it cannot be compared directly with private consumption in national accounts. Daily data, 2-week moving average.

Source: Danske Bank

Notes on the spending data

The spending data is based on transactions online and offline, both domestically and abroad, with cards in stores for around 1m Danske Bank Danish personal customers with active accounts. All data is anonymised and non-referable.

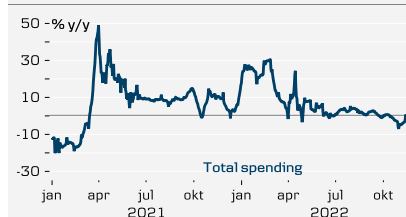
The spending data is used as a proxy for private consumption. However, it does not include cash spending and account transfers. Hence, notably, fixed costs and spending on housing are not included. Changes in cash spending patterns will also affect the data.

The charts show spending in 2020, 2021 and 2022 compared with the same week in 2019.

Data is not adjusted for price developments, unless explicitly noted.

The most recent data is subject to revisions.

y/y growth has improved slightly since late October



Note: Two week moving average

Source: Danske Bank

Chief Analyst

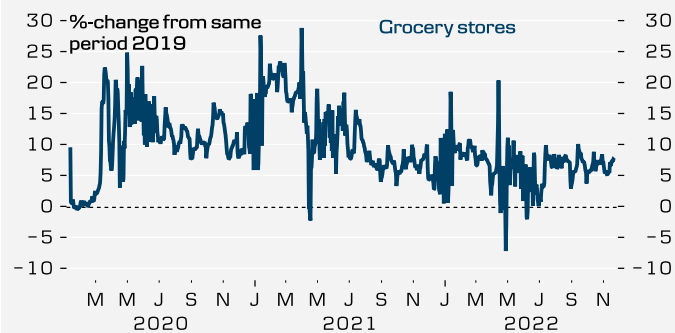
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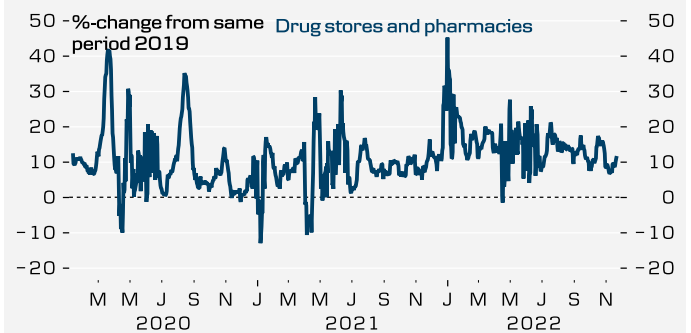
Selected charts with relative changes vs 2019

Grocery spending is at a stable share of total spending, despite significant decline in total spending through 2022



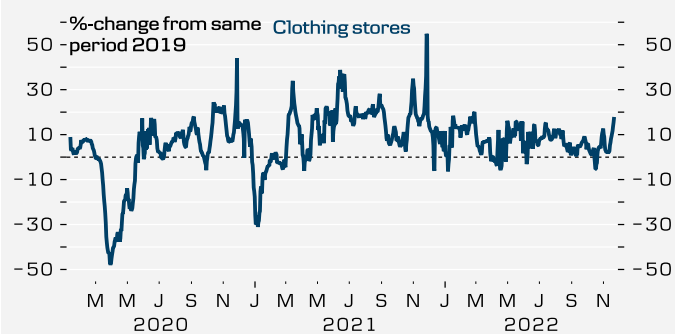
Note: Two week moving average
Source: Danske Bank

Pharmacies spending with a small November rebound, and is around the same level as last year



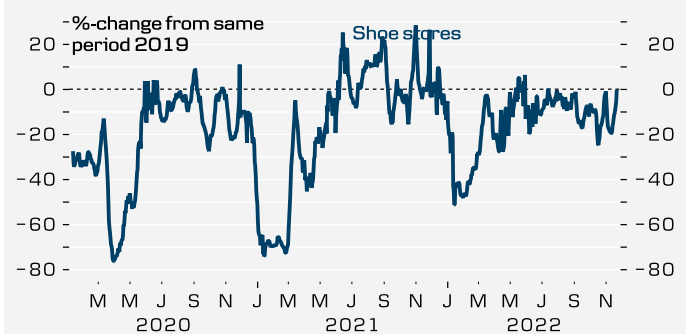
Note: Two week moving average
Source: Danske Bank

Spending in clothing stores is affected by timing of Black Week



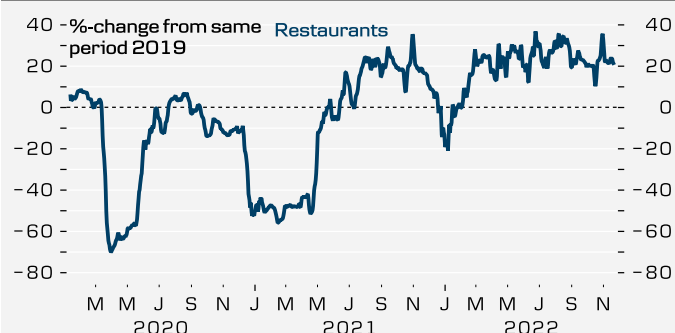
Note: Two week moving average
Source: Danske Bank

Spending in shoe stores continues to under perform. We see an increase because of timing of Black Week



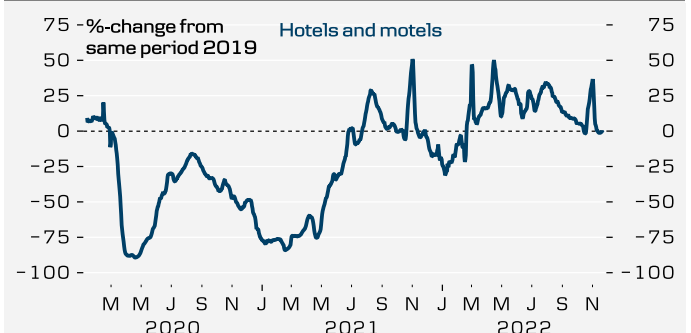
Note: Two week moving average
Source: Danske Bank

Restaurant spending continues to be elevated compared to pre-covid levels, even when rising prices are considered



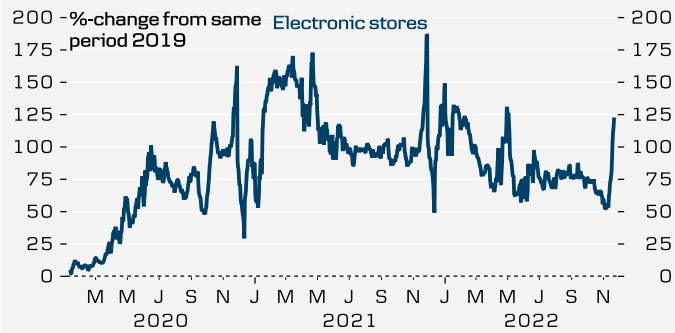
Note: The restaurant index includes bars and nightclubs and fast-food places. 2 week moving average
Source: Danske Bank

Hotel spending comes down from short peak



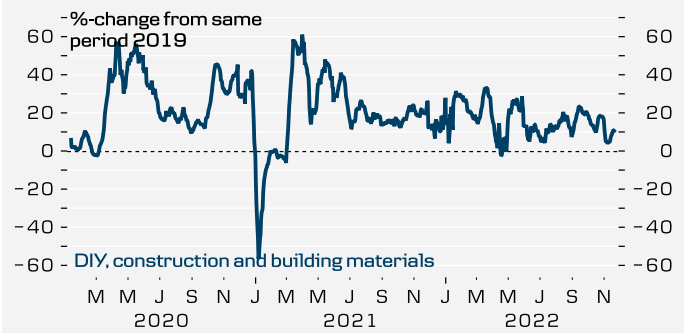
Note: Two week moving average
Source: Danske Bank

Spending in electronic stores increases because of timing of Black Week



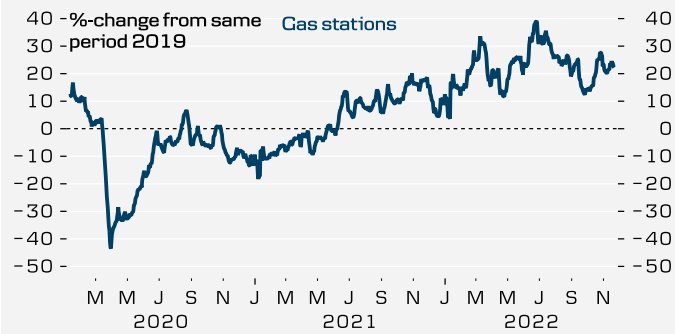
Note: Two week moving average
Source: Danske Bank

DIY spending is lower than last year, despite rising prices



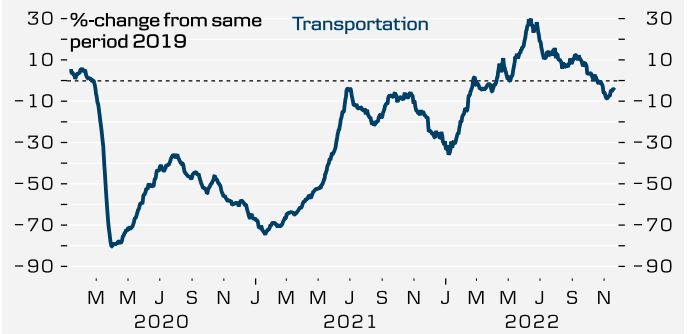
Note: Two week moving average
Source: Danske Bank

Spending in gas stations is coming down in real terms, indicating a shift in consumption patterns



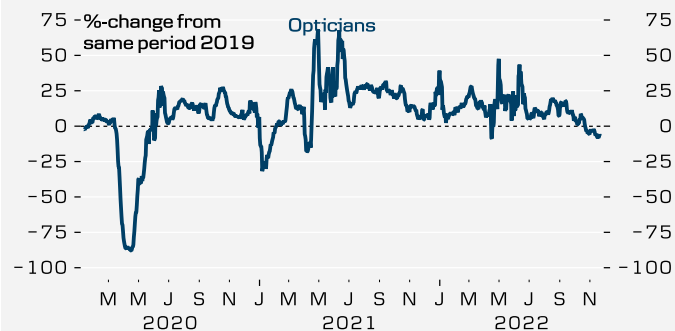
Note: Two week moving average
Source: Danske Bank

Little rise in transportation spending, but it is still low



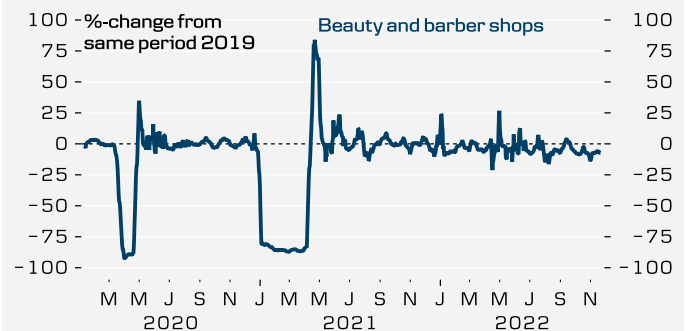
Note: Two week moving average
Source: Danske Bank

Spending with opticians is decreasing, not least compared to last year



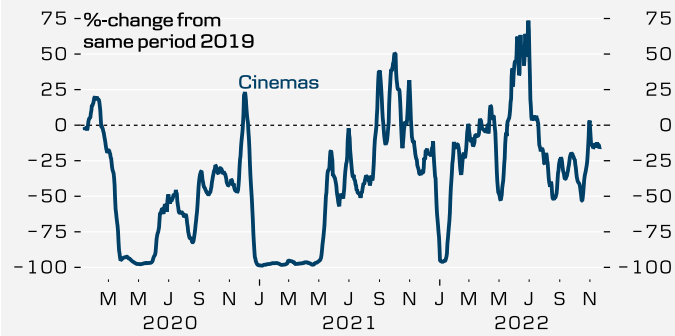
Note: Two week moving average
Source: Danske Bank

Spending in hairdressers is weakening, considering the increase in prices, but remains stable nominally



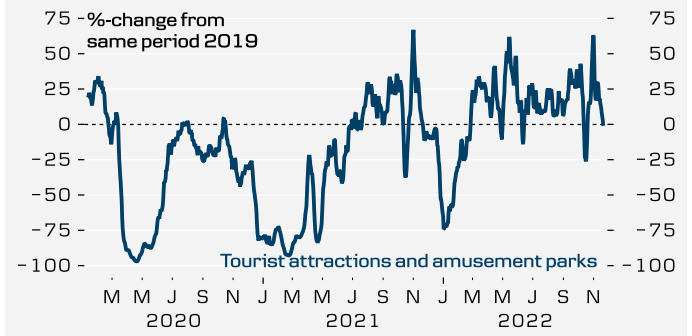
Note: Two week moving average
Source: Danske Bank

Cinema spending is lower than pre-covid levels



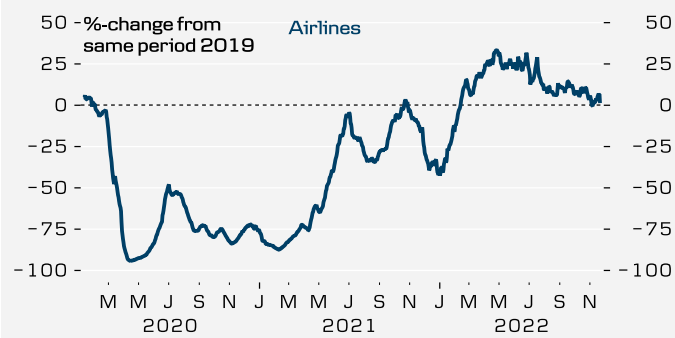
Note: Two week moving average
Source: Danske Bank

Spending in tourist attractions is volatile, but holding up well



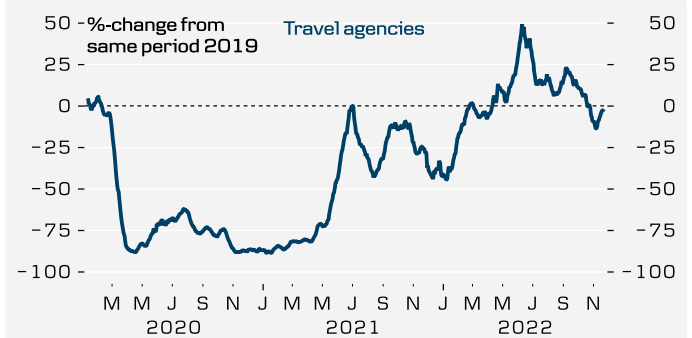
Note: Two week moving average
Source: Danske Bank

Airline spending continues to move lower



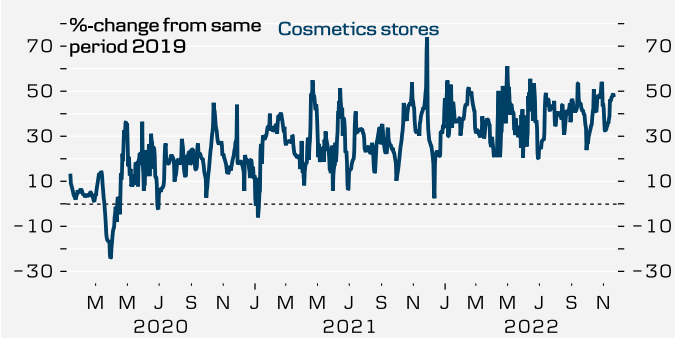
Note: Two week moving average
Source: Danske Bank

Spending on packaged holidays had a solid rebound last week after months of decline



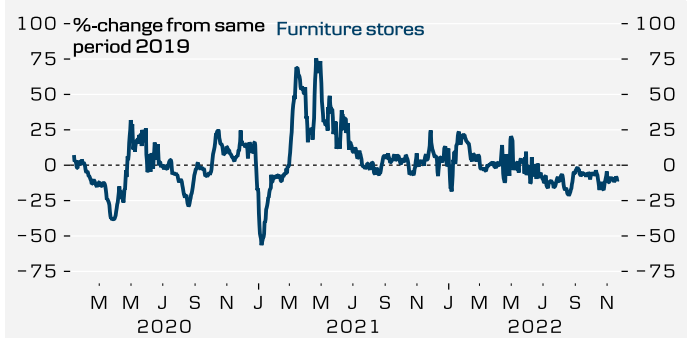
Note: Two week moving average
Source: Danske Bank

Spending in cosmetics stores continues to perform well



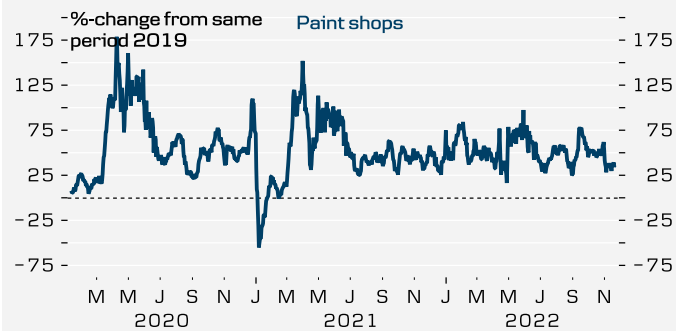
Note: Two week moving average
Source: Danske Bank

Spending in furniture remains low, especially in real terms. Lower activity in the housing market likely plays a part.



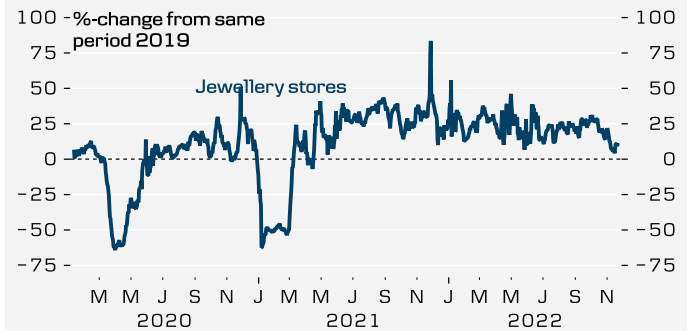
Note: Two week moving average
Source: Danske Bank

Spending in paint shops around same level as last year



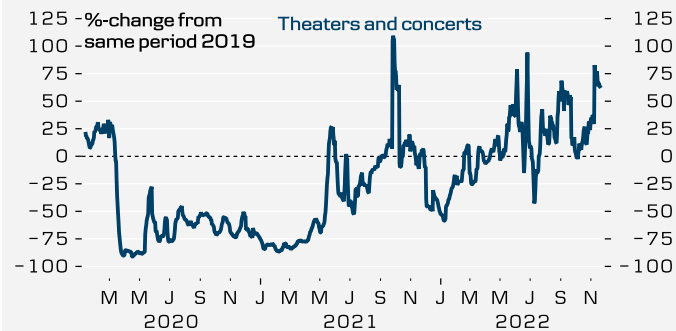
Note: Two week moving average
Source: Danske Bank

Spending in jewellery stores is weakening, and lower than last year



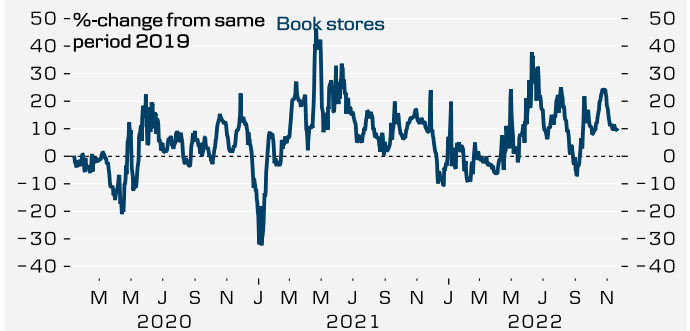
Note: Two week moving average
Source: Danske Bank

Spending in theatres and concert halls remains volatile, but overall holds up well



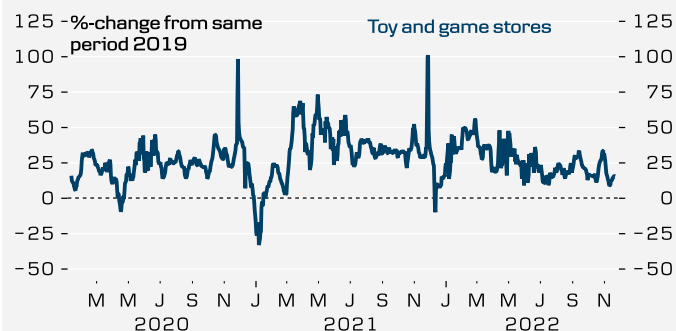
Note: Two week moving average
Source: Danske Bank

Spending in book stores in steep decline



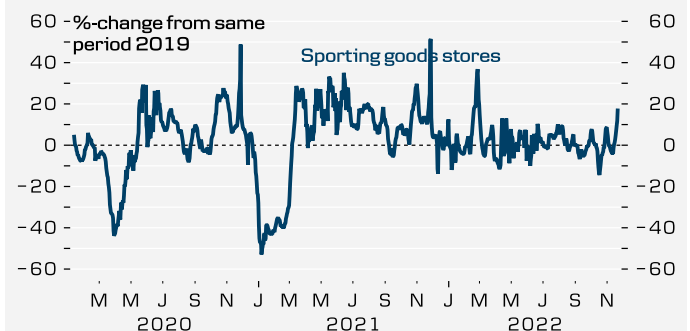
Note: Two week moving average
Source: Danske Bank

Spending on toys is stable nominally, but significantly lower than last year



Note: Two week moving average
Source: Danske Bank

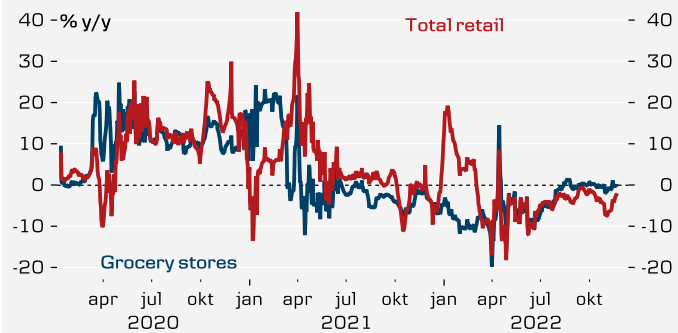
Spending in sporting goods stores heavily affected from timing of Black Week



Note: Two week moving average
Source: Danske Bank

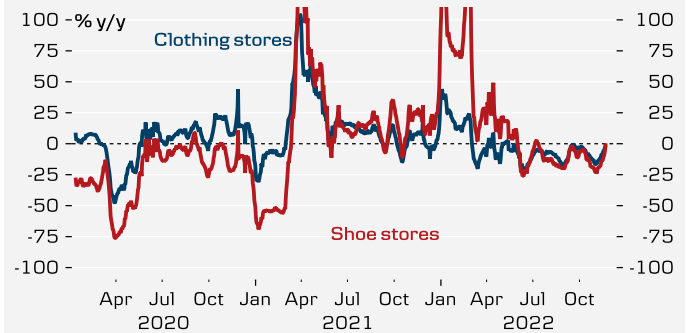
Selected charts with relative changes vs previous year

Nominal retail spending increases due to timing of black week. Grocery spending on level with last year



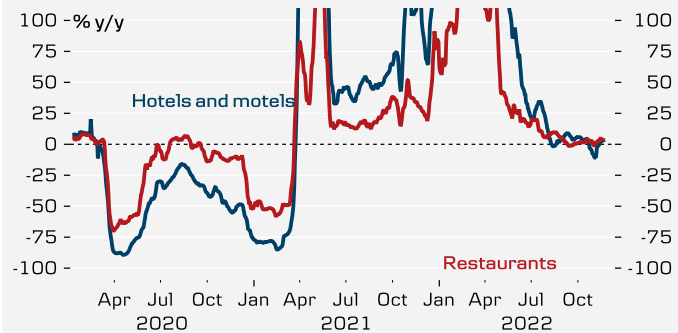
Note: Two week moving average
Source: Danske Bank

Clothing and footwear increases due to timing of black week



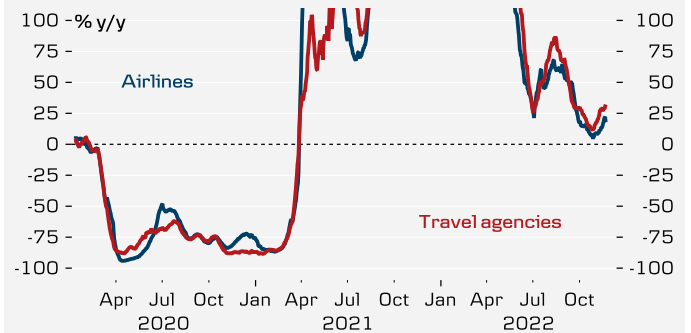
Note: Two week moving average. Due to very large growth rates driven by lockdowns, the y-axis has been capped.
Source: Danske Bank

Hotel and Restaurant spending is on par with last year, and has remained fairly stable over the past months



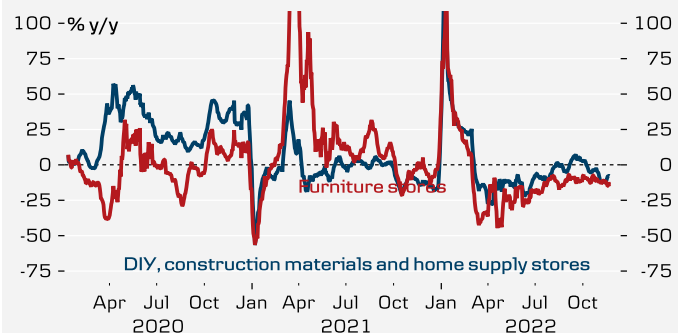
Note: Two week moving average. Due to very large growth rates driven by lockdowns, the y-axis has been capped.
Source: Danske Bank

Spending on holidays had a sudden rebound over the last week



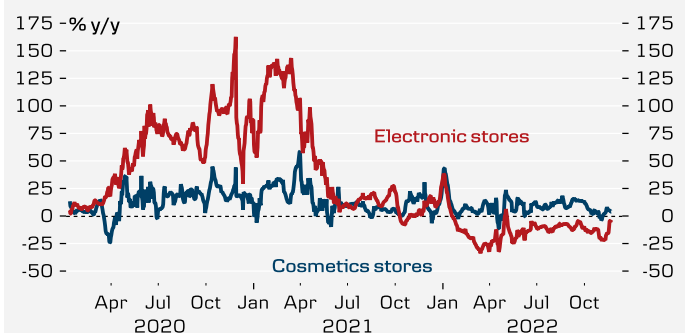
Note: Two week moving average. Due to very large growth rates driven by lockdowns, the y-axis has been capped.
Source: Danske Bank

Home related spending has been seeing a post-Covid slump, with no signs of a pick up



Note: Two week moving average. Due to very large growth rates driven by lockdowns, the y-axis has been capped.
Source: Danske Bank

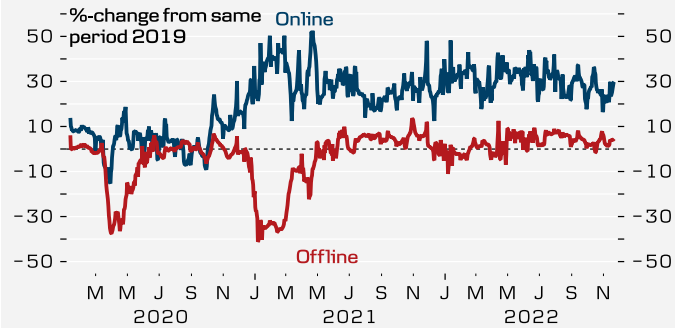
Cosmetics spending continues to perform well, electronic stores affected by timing of Black Week



Note: Two week moving average
Source: Danske Bank

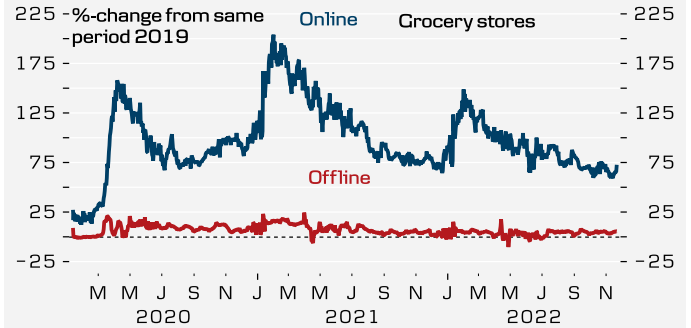
Spending by location – online/offline

Online sales moves increases after falling for some weeks



Note: Two week moving average
Source: Danske Bank

Online grocery spending continues to trend downward, but is still much higher than pre-covid



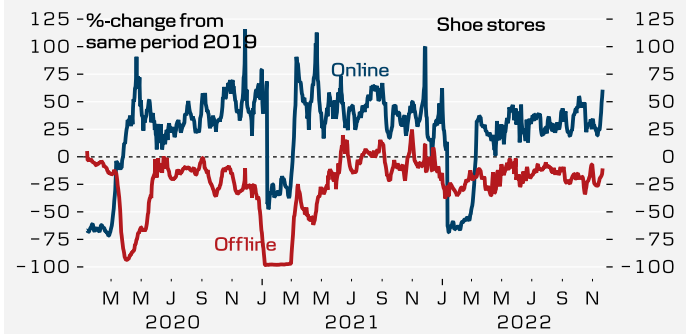
Note: Two week moving average
Source: Danske Bank

Clothing spending is largely unchanged in stores – but is significantly lower than last year on and offline



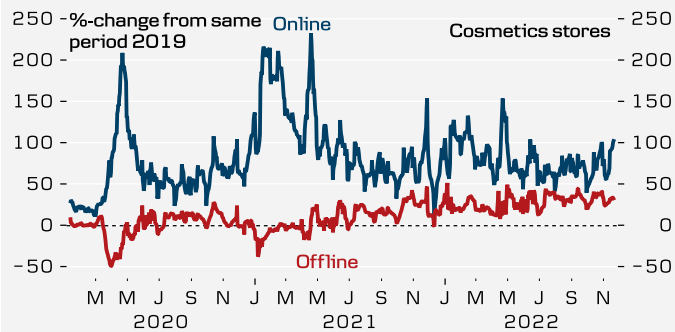
Note: Two week moving average
Source: Danske Bank

Shopping in shoe stores has stabilised below pre-pandemic levels



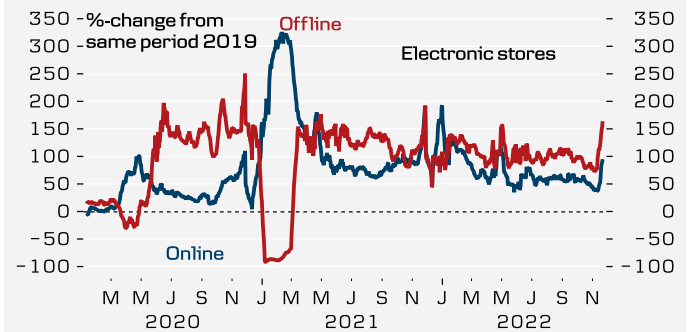
Note: Two week moving average
Source: Danske Bank

Spending on cosmetics is strengthening in stores compared to the Covid-years



Note: Two week moving average
Source: Danske Bank

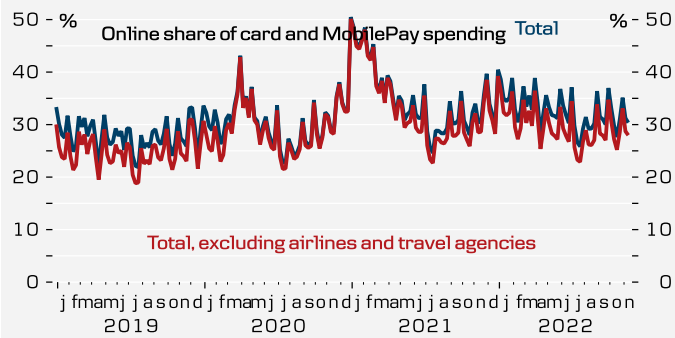
Spending on electronics is affected by timing of black week



Note: Two week moving average
Source: Danske Bank

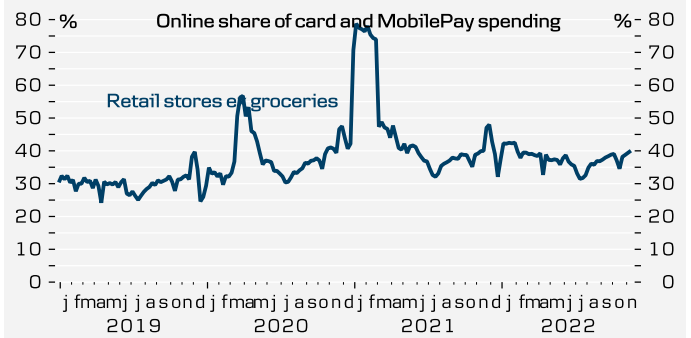
Online share of consumption

The online share of spending has stabilized



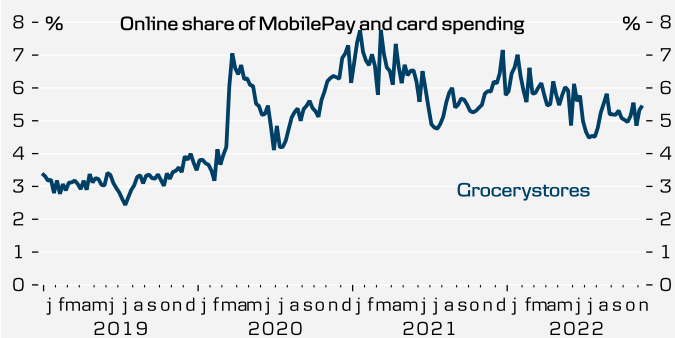
Source: Danske Bank

Online share of retail is increasing as Christmas approaches



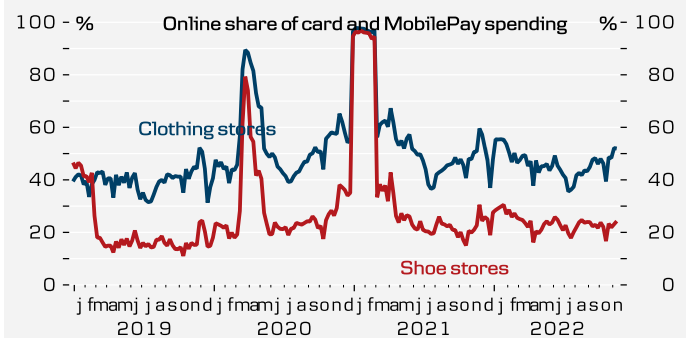
Source: Danske Bank

Online share of groceries spending is still on a downward trend



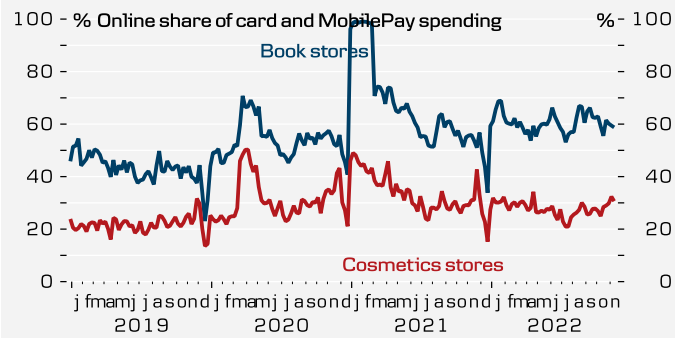
Source: Danske Bank

Online spending on clothing and footwear seems to have stabilized



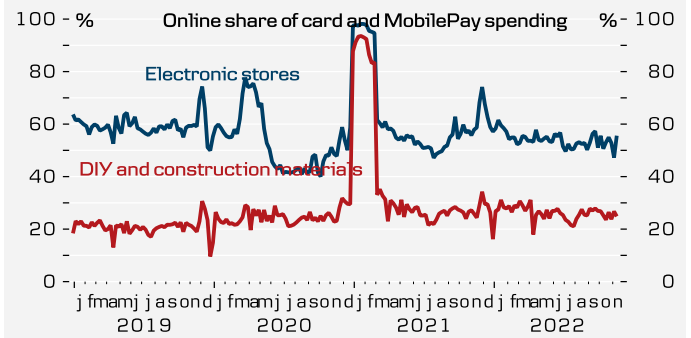
Source: Danske Bank

Online sales of books is stabilized, while cosmetics shares is still increasing



Source: Danske Bank

Online sales stabilising



Source: Danske Bank

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